



PUBLIC ADJUSTMENT BUREAU

June 12, 2003

VIA FACSIMILE

Mr. Clif Arbes
York Claims Service, Inc.
Penn Center West
Building #2, Suite 320
Pittsburgh, PA 15276

Re: Your File: #LXI-0179
Amerex Group, Inc.
Loss of: 8/3/01

Dear Mr. Arbes:

Enclosed please find Proof of Loss issued by the Fireman's Fund indicating the loss is in excess of the policy limits.

Since time is growing short we are requesting a six month extension in which to institute suit against AIG. If you are going to represent Ace USA we would request the same the same extension against them.

Please call me if you have any questions.

Very truly yours,

PUBLIC ADJUSTMENT BUREAU

A handwritten signature in cursive script, reading "Gerald Scheer", followed by a circular stamp containing the initials "MS".
Gerald Scheer

GS:rm
Enc:

FIREMAN'S FUND INSURANCE CO.
75 Wall Street, 18th floor
New York, New York 10005

PROOF OF LOSS

Company: Fireman's Fund Insurance Company Company Claim No. 40004261
Policy Number: MX1 97121154 Amount Of Policy: \$2,500,000 Date Issued: June
15, 2001 Date Expires: June 15, 2002

To the Fireman's Fund Insurance Company of Novato, California. At time of loss, the policy of insurance you insured Amerex Group, Inc. et al for loss to property due to collapse of garment racks and subsequent water damage from sprinkler collapse at the location 1500 Rahway Avenue, Avenel, NJ 07001, in accordance with the terms and conditions of the policy and all applicable forms, endorsements, transfers and assignments.

a. Time and Origin: A garment rack collapse and subsequent water damage occurred on the 3rd of August, 2001. The cause and origin of the loss was known as collapse and water damage.

b. Occupancy:

c. Title and Interest: At the time of the loss your interest in the insured property was Owner. No other person or persons had any interest therein or encumbrance thereon.

d. Changes: Since the policy was issued there has been no assignment thereof, or change of interest, use, occupancy, possession, location or exposure of the property.

e. The Actual Cash Value of property at the time of loss was
.....\$ Excess of
\$2,500,000 policy limits

f. The Whole Loss and Damage: \$ 2,500,000 -Primary Policy Limits

g. Less Amount Of Deductible: \$ 5,000 -Deducted from loss

h. I/We hereby make claim upon the insurers in the sum of \$2,500,000 for full and final settlement of the loss. Amount due is \$767,316.60 which takes into consideration partial payments of \$146,747.23, \$238,153.17, \$914,814.00 and \$432,969.00 previously issued totaling \$1,299,714.40

i. Subrogation: In consideration of the payment to be made I/We subrogate to the insurers all MY/OUR right, title and interest in and to the property for which claim is being made, and agree to immediately notify the insurers in case of any recovery of the property for which claim is being made. I/We also agree to reimburse the insurers, any such recovery which may be made, or reimburse and insurers in full to the extent of the payment for such property which may be recovered.

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The loss did not originate by any act, design or procurement on the part of your insured, or this affiant; nothing has been done by or with the privity or consent of your insured or this affiant, to violate the conditions of the policy, or render it void; not articles are mentioned herein or in annexed schedules but such as were destroyed or damaged at the time of the loss; no property saved has in any manner been concealed, and no attempt to deceive the company, as to the extent of the loss, has in any manner been made. Any other information that may be required will be furnished and considered a part of this proof.

The furnishing of this blank or the preparations of proofs by a representative of the above insurance company is not a waiver of any of its rights.

State Of New York County Of New York Insured _____

Insured's Name: [Signature] Insured's Title: CHAIRMAN

Subscribed and sworn to before me this 10th day of JUNE 2003

[Signature]
Notary Public

REBECCA S. AUERBACH
Notary Public, State of New York
No. 01AU6083916 FRAUD WARNING (SEE NEXT PAGE)
Qualified in New York County
Commission Expires November 25, 2006